

 **Lampert & O'Connor, P.C.**

1750 K Street NW
Suite 600
Washington, DC 20006

EX PARTE OR LATE FILED

Mark J. O'Connor
oconnor@l-olaw.com

Tel 202/887-6230
Fax 202/887-6231

ORIGINAL

November 17, 2004

Ms. Marlene Dortch, Secretary
Federal Communications Commission
The Portals, TW-A325
445 12th Street, SW
Washington, DC 20554

RECEIVED

NOV 17 2004

Federal Communications Commission
Office of Secretary

Re: *Ex Parte* Presentation – Review of the Section 251 Unbundling Obligations of Incumbent LECs (CC Docket Nos. 01-338, 96-98, 98-147); *Unbundled Access to Network Elements* (WC Docket 04-313); *Review of Commission's Rules Regarding Pricing of UNEs* (WC Dkt. No. 03-173)

Dear Ms. Dortch:

On November 16, 2004, Garry Betty (EarthLink's President and CEO), Brinton Young (EarthLink's Executive Vice President, Strategic Planning), Sam DeSimone (EarthLink's Executive Vice President and General Counsel), Dave Baker (EarthLink's Vice President of Law and Public Policy), and the undersigned met with Chairman Michael Powell and Aaron Goldberger regarding the above-referenced dockets. During the meeting, EarthLink discussed its pending petition for reconsideration to reinstate the line sharing UNE and its previously submitted statements in the above-referenced dockets.

EarthLink discussed that it has invested in and is in trials with several potential "third wire" broadband transmission paths to the home, including WiFi, WiMax, MMDS, and broadband over power lines. However, EarthLink pointed out that cable and DSL still account for virtually all consumer broadband connections and that none of these alternative technologies offer a commercially viable alternative today or in the near future.

EarthLink pointed out that ADSL 2+ technology, while not yet commercially available, offers promise for a triple play of VoIP, data, and video. However, the Commission should ensure pricing stability for UNE-L rates, a stable hot-cut process for switching customers, and competitive access to the hybrid fiber running from the incumbent LEC's remote terminal to the central office. EarthLink also provided Chairman Powell and Mr. Goldberger with the attached materials regarding EarthLink and its assessment of next generation broadband alternatives.

Pursuant to the Commission's rules, two copies of this memorandum and attachments

Ex Parte Presentations – CC Dkt. Nos. 01-338, 96-98, 98-147, WC Dkt. 04-313

November 17, 2004

Page 2

are being filed in each of the above-referenced dockets for inclusion in the public record. Please do not hesitate to call me if you have any questions.

Respectfully submitted,

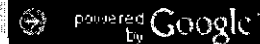


Mark J. O'Connor
Counsel for EarthLink, Inc.

CC: Chairman Michael Powell
Aaron Goldberger



EarthLink

[HOME](#)[SWITCH](#)[DIAL-UP](#)[STORE](#)[HIGH SPEED](#)[EARTHLINK TOOLS](#)[WIRELESS](#)[BUSINESS](#)[EXTRAS](#)

EARTHLINK LAUNCHES FREE VOIP SERVICE

Use of Session Initiation Protocol (SIP) Enables Subscribers to Make VoIP Calls Free-of-Charge

ATLANTA, October 5, 2004 — EarthLink (NASDAQ: ELNK), one of the nation's leading Internet service providers (ISP), today announced the launch of EarthLink Free Online Calling, a service which enables EarthLink High Speed access subscribers to make Voice over Internet Protocol (VoIP) calls free-of-charge.

This new offering reflects EarthLink's continuing efforts to be a leader in the deployment of VoIP services. Last year, the company became the first major ISP to offer a comprehensive VoIP solution, EarthLink Unlimited Voice, providing subscribers with a flat-rate, broadband telephony service that includes features to reach wireless or traditional land-based telephones.

"EarthLink Free Online Calling is part of our overall strategy to develop and deploy a full suite of data and voice-based communication applications," said Tom Andrus, vice president of products and services at EarthLink. "With the debut of EarthLink's latest VoIP service, our broadband subscribers can call and talk with friends and family over the Internet for free."

EarthLink Free Online Calling is based on Session Initiation Protocol (SIP), a standards-based protocol widely used to establish pure VoIP calls. The service is currently available to all 1.2 million EarthLink High Speed access subscribers at www.earthlink.net/extas/onlinecalling. Users will need a computer headset (for PC and Mac use) or an ATA (Analog Telephone Adapter) to access the service, which includes:

- Unlimited, high-quality calls to other SIP users
- Voicemail accessible via email
- Online calling log
- Online signup and account management

To extend the benefits of its newest VoIP offering, EarthLink has partnered with other SIP providers to exchange calls. These partnerships give EarthLink Free Online Calling subscribers free VoIP access to anyone using SIP-based services, including SIPphone (www.sipphone.com) and Free World Dialup (www.pulver.com/fwd/).

EarthLink Free Online calling is powered by client-side software from Xten Networks. Xten's X-Lite softphone is an easy-to-install dialer that features speed dial, caller ID, three-way calling, basic hold capability and detailed call logs. The new service also utilizes server-side technology from iptel.org, a leading provider of high-performance communication infrastructure based on SIP.

In addition to EarthLink Free Online Calling, EarthLink will continue to offer high-speed users access to traditional phone services with EarthLink Unlimited Voice. EarthLink Unlimited Voice is available in three packages and for a limited time includes

a free month of service and free activation. For more information or to sign up, visit www.earthlink.net/voip or call 1-800-EARTHLINK.

About EarthLink

"EarthLink revolves around you™." Celebrating ten years as a leading national Internet service provider (ISP), Atlanta-based EarthLink has earned an award-winning reputation for outstanding customer service and its suite of online products and services. According to the J.D. Power and Associates 2004 Internet Service Provider Residential Customer Satisfaction StudySM, EarthLink is ranked highest in customer satisfaction among dial up and high-speed Internet Service Providers. Serving over five million subscribers, EarthLink offers what every user should expect from their Internet experience: high-quality connectivity, minimal drop-offs and ISP-generated intrusions, and customizable features. Whether it's dial-up, high-speed, Web hosting, or wireless Internet service, EarthLink provides the tools that best let individuals use and enjoy the Internet on their own terms. Learn more about EarthLink by calling (800) EARTHLINK or visiting EarthLink's Web site at www.earthlink.net.

###

[ABOUT EARTHLINK](#) [EARTHLINK SOFTWARE](#) [CONTACT US](#) CAREERS@EARTHLINK [AFFILIATE PROGRAM](#) [HOW CAN WE HELP?](#)

Members and visitors to the EarthLink Web site agree to abide by our Policies and Agreements.
[EarthLink Privacy Policy](#)

FOR IMMEDIATE RELEASE

Media

Contact: Dan Greenfield
EarthLink
404-432-6526 (mobile)
greenfie@corp.earthlink.net

Investors

Michael Gallentine
EarthLink
404-748-7153
404-395-5155 (mobile)
gallentineml@corp.earthlink.net

EARTHLINK REPORTS THIRD QUARTER 2004 RESULTS

ATLANTA, October 21, 2004 – EarthLink, Inc. (NASDAQ: ELNK), one of the nation's leading Internet service providers, today announced financial results for its third quarter ending September 30, 2004. Highlights for the quarter include:

- Net subscriber additions of 67,000 during the third quarter and 5.4 million paying subscribers as of the end of the quarter
- Revenues of \$344.0 million, a 1.0 percent decrease from the third quarter of 2003
- Net income of \$37.6 million, or \$0.24 per share, compared to \$3.5 million, or \$0.02 per share, from the third quarter of 2003
- Earnings before interest income and expense, income taxes, depreciation and amortization and facility exit costs (adjusted EBITDA, a non-GAAP measure) of \$55.2 million, a 21.2 percent increase from the third quarter of 2003
- Operating income of \$37.8 million, an improvement from \$2.3 million from the third quarter of 2003
- Free cash flow (a non-GAAP measure) of \$45.8 million, an 18.0 percent improvement from the third quarter of 2003

“EarthLink capped the third quarter with continued improvements in net income, adjusted EBITDA and subscriber growth, which were fueled by PeoplePC Online and our high speed access services,” said Garry Betty, EarthLink president and chief executive officer. “In addition to our positive financial performance, we made strong inroads in our

strategy to meet the growing demand for a broader range of online communications services by launching new data and voice-based applications.”

Third Quarter Financial Results

Subscribers and Revenues

EarthLink added 74,000 net broadband subscribers during the quarter and ended the quarter with 1.3 million broadband customers, an increase of 34.3 percent from a year ago. Broadband subscribers now represent 23.7 percent of the total subscriber base. Broadband revenues were \$104.9 million, an increase of 12.7 percent over the prior year quarter, driven by the increase in broadband subscribers. Broadband revenues now represent 30.5 percent of EarthLink’s total revenues.

In the third quarter, the company added 133,000 net subscribers through PeoplePC Online, EarthLink’s value-priced narrowband service, while it experienced a decrease of 136,000 net subscribers in its more mature premium narrowband service. The company ended the quarter with 4.0 million total narrowband subscribers, an increase of 3.4 percent from the third quarter of 2003. Total narrowband subscribers included 758,000 PeoplePC Online subscribers as of September 30, 2004 compared to 295,000 as of September 30, 2003.

Narrowband revenues were \$217.2 million, a decline of 7.8 percent from the prior year quarter. This decline in revenues was primarily due to the shift in the mix from premium narrowband subscribers to PeoplePC Online subscribers and the increased use of introductory promotional price discounts. Other contributing factors were lower equipment and related revenues and a decrease in acquired prepaid PeoplePC customer revenues.

EarthLink ended the quarter with 149,000 web hosting accounts, a decrease of 9.1 percent from a year ago. Web hosting, advertising and other value-added services generated revenues of \$21.9 million, an increase of 17.7 percent compared to the prior year quarter, driven primarily by growth in search-related advertising revenues and ancillary services revenues.

Margins

Gross margins before sales incentives (a non-GAAP measure) increased 10.9 percent from the third quarter of 2003 to \$240.3 million. Gross margins before sales incentives continue to expand and were 69.9 percent of total revenues during the third quarter of 2004, a 750 basis point improvement from the prior year quarter. The increase in gross margins

before sales incentives was due to continuing improvements in both narrowband and broadband telecommunications costs per subscriber and the overall decline in equipment and related revenues which tend to have lower margins.

EarthLink's quarterly adjusted EBITDA improved 21.2 percent to \$55.2 million, representing 16.0 percent of total revenues, compared to \$45.5 million, or 13.1 percent of total revenues in the third quarter of 2003. The 290 basis point improvement reflects a significant increase in gross margins before sales incentives and continuing operational efficiencies primarily related to the restructuring of the contact center organization completed in the first quarter of 2004, partially offset by an increase in sales and marketing expenses associated with a greater number of customer additions during the third quarter of 2004.

Net Income

Net income for the quarter was \$37.6 million, or \$0.24 per share, a \$34.1 million increase from \$3.5 million, or \$0.02 per share, in the prior year quarter. The \$34.1 million improvement in net income is the result of the \$9.7 million increase in adjusted EBITDA (noted above), an \$18.0 million decrease in acquisition-related amortization attributable to subscriber base assets becoming fully amortized, and an \$8.2 million decrease in depreciation due primarily to declines in capital expenditures over the past three years and assets disposed of as a result of the contact center restructuring.

Balance Sheet and Cash Flow

The company continued to generate significant free cash flow. In the third quarter of 2004, EarthLink had \$45.8 million in free cash flow, an 18.0 percent increase from the third quarter of 2003. During the quarter, EarthLink's board of directors authorized an additional \$100 million for stock repurchases. The company repurchased approximately 5.9 million shares of its common stock for \$58.6 million in accordance with its share repurchase program. It had \$89.3 million remaining under the program as of September 30, 2004. EarthLink's cash and marketable securities were \$508.3 million as of September 30, 2004, representing a \$2.4 million decline from June 30, 2004.

Gross margins before sales incentives, adjusted EBITDA, and free cash flow are non-GAAP financial performance measures. They should not be considered in isolation or

as an alternative to measures determined in accordance with accounting principles generally accepted in the United States. Please refer to the Consolidated Financial Highlights for a reconciliation of these non-GAAP financial performance measures to the most comparable measures reported in accordance with accounting principles generally accepted in the United States and Footnote 4 of the Consolidated Financial Highlights for a discussion of the presentation, comparability and use of such financial performance measures.

Other Third Quarter Highlights and Recent Developments

During the quarter, EarthLink launched several strategic initiatives as part of its long-term plan to develop and deploy a full suite of data and voice-based communication applications. The company began offering the Research In Motion (RIM) BlackBerry 7750 Wireless Handheld™ with wireless email and voice service and rolled out EarthLink Free Online Calling. With the Blackberry 7750, EarthLink became the first major ISP to offer a complete wireless data and voice solution. EarthLink Free Online Calling enables EarthLink high speed access subscribers to make Voice over Internet Protocol (VoIP) calls free of charge. EarthLink Free Online Calling is another step in the company's strategy to deliver a full range of VoIP services. Last year, EarthLink became the first major ISP to offer a comprehensive VoIP solution, giving broadband users a competitive alternative to their traditional residential telephone service provider.

In September, EarthLink launched the next generation of its anti-phisher site application, ScamBlocker™. Included in EarthLink's free, browser-based toolbar, this feature provides real-time, comprehensive protection from online fraud and identity theft. EarthLink is the first and only major ISP to develop and openly distribute a free phisher-blocking feature to all Internet users.

Extending its position as a leader in delivering award recognized service, EarthLink once again received the highest ranking for Customer Satisfaction for Dial-Up and High-Speed service by J.D. Power and Associates in its 2004 Internet Service Provider Residential Customer Satisfaction StudySM. This marked the third year in a row that EarthLink's high speed access services received the highest ranking (tied in 2002).

Business Outlook

The following statements are based on management's current expectations. These statements are forward-looking, and actual results may differ materially. See comments under "Cautionary Information Regarding Forward-Looking Statements" below. The company undertakes no obligation to update these statements.

Based on results to date, current market trends, and the company's operating plans for the remainder of the year, EarthLink is revising its previously stated expectations for the year.

In the fourth quarter of 2004, EarthLink expects to add 35,000 to 75,000 subscribers, driven by continued growth in its broadband and value-priced narrowband offerings, partially offset by a decline in premium narrowband subscribers. EarthLink anticipates that total revenues will be in the range of \$340 to \$345 million in the fourth quarter of 2004. Compared to the third quarter of 2004, gross margins before sales incentives may decline slightly as a percent of revenues due to the continued shift toward lower margin broadband services.

The company expects to increase operations, sales and marketing expenses by \$2 to \$4 million compared to the third quarter of 2004. As a result, adjusted EBITDA is expected to be in the range of \$47 to \$52 million and net income is expected to be in the range of \$30 to \$35 million.

Conference Call for Analysts and Investors

Investors in the U.S. and Canada interested in participating in the conference call on October 21, 2004 at 8:30 a.m. Eastern Daylight Time (EDT) may dial 1-800-706-0730 and reference the EarthLink call. Other international investors may dial 1-706-634-5173 and also reference the EarthLink call. EarthLink recommends dialing into the call approximately 10 minutes prior to the scheduled start time. Investors also will have the opportunity to listen to a live Webcast of the conference call via the Internet at the following site:

<http://ir.thomsonfn.com/InvestorRelations/PubCorporateOverview.aspx?partner=Mzg0TkRNek1BPT1QJFkEQUALSTO&product=MzgwU1ZJPVakWQEQUALSTOEQUALSTO>

A taped replay will be available beginning at 11:30 a.m. EDT on October 21, 2004 through midnight on October 27, 2004 by dialing 1-800-642-1687. International callers should dial 1-706-645-9291. The replay confirmation code is 221613.

The Webcast of this call will be archived on our site at:

<http://phx.corporate-ir.net/phoenix.zhtml?c=77594&p=irol-audioArchives>

About EarthLink

"EarthLink revolves around youTM." Celebrating ten years as a leading national Internet service provider (ISP), Atlanta-based EarthLink has earned an award-winning reputation for outstanding customer service and its suite of online products and services. According to the J.D. Power and Associates 2004 Internet Service Provider Residential Customer Satisfaction StudySM, EarthLink is ranked highest in customer satisfaction among dial up and high speed Internet service providers. Serving over five million subscribers, EarthLink offers what every user should expect from their Internet experience: high-quality connectivity, minimal drop-offs and ISP-generated intrusions, and customizable features. Whether it's dial up, high speed, web hosting, or wireless Internet service, EarthLink provides the tools that best let individuals use and enjoy the Internet on their own terms. Learn more about EarthLink by calling (800) EARTHLINK or visiting EarthLink's web site at www.earthlink.net.

#

Cautionary Information Regarding Forward-Looking Statements

This earnings release includes "forward-looking" statements (rather than historical facts) that are subject to risks and uncertainties that could cause actual results to differ materially from those described. Although we believe that the expectations expressed in these forward-looking statements are reasonable, we cannot promise that our expectations will turn out to be correct. Our actual results could be materially different from and worse than our expectations. With respect to such forward-looking statements, the company seeks the protections afforded by the Private Securities Litigation Reform Act of 1995. These risks include, without limitation, (1) that we may not be able to successfully implement our broadband strategy which would materially and adversely affect our subscriber growth rates and future overall revenues; (2) that we may not successfully enhance existing or develop new products and services in a cost-effective manner to meet customer demand in the rapidly evolving market for Internet services; (3) that our service offerings may fail to be competitive with existing and new competitors; (4) that competitive product, price or marketing pressures

could cause us to lose existing customers to competitors, or may cause us to reduce prices for our services; (5) that our commercial and alliance arrangements, including marketing arrangements with Sprint and Dell, may be terminated or may not be as beneficial to us as management anticipates; (6) that declining levels of economic activity, increasing maturity of the market for Internet access, or fluctuations in the use of the Internet could negatively impact our subscriber growth rates and incremental revenue levels; (7) that we may experience other difficulties that limit our growth potential or lower future overall revenues; (8) that service interruptions could harm our business; (9) that we have historically not been profitable and we may not be able to sustain profitability; (10) that our third party network providers may be unwilling or unable to provide Internet access; (11) that we may be unable to maintain or increase our customer levels if we do not have uninterrupted and reasonably priced access to local and long-distance telecommunications systems for delivering dial up and/or broadband access, including, specifically, that incumbent local exchange carriers and cable companies may not provide last mile broadband access to the company on a wholesale basis or on terms or at prices that allow the company to grow and be profitable in the broadband market; (12) that we may not be able to protect our proprietary technologies or successfully defend infringement claims and may be required to enter licensing arrangements on unfavorable terms; (13) that government regulations could force us to change our business practices; (14) that we may not experience the level of benefits we expect in connection with restructuring our contact centers and may not otherwise be able to contain our costs; and (15) that some other unforeseen difficulties may occur. This list is intended to identify some of the principal factors that could cause actual results to differ materially from those described in the forward-looking statements included herein. *These factors are not intended to represent a complete list of all risks and uncertainties inherent in the company's business, and should be read in conjunction with the more detailed cautionary statements included in EarthLink's filings with the Securities and Exchange Commission.*

EarthLink *revolves around you*

EarthLink

powered by Google

HOME

SWITCH

STORE

EARTHLINK TOOLS

MEMBER CENTER

DIAL-UP

HIGH SPEED

WIRELESS

BUSINESS

EXTRAS



EarthLink Ranks Highest in Customer Satisfaction Among Dial-Up and High-Speed Internet Service Providers.

LIMITED TIME!
Online offer only.

Unlimited Dial-Up

Now just \$9.95/month for 6 months!
No credit card required!

[LEARN MORE](#)

High Speed

[LEARN MORE](#)

EarthLink Spy Audit:

Latest Results
71,107,238

spyware items
found to date.

Do you have spyware on your computer?



[SCAN YOUR PC FOR FREE!](#)

EarthLink High-Speed Internet

As low as
\$9.95 a month
for 6 months



[LEARN MORE](#)

- Up to 70X faster than dial-up (based on the average speed between a 28.8k and a 56k modem)
- Speeds up to 3.0 Mbps

Increase productivity with

EarthLink Business High-Speed



[LEARN MORE](#)

- Reliable connections
- Blazing speeds
- Priority Business Customer Support

EarthLink Unlimited Voice

Lower your phone bill.



[LEARN MORE](#)

Lower your phone bill—use your EarthLink High Speed Internet connection for phone service for one flat rate!

[ABOUT EARTHLINK](#) [EARTHLINK SOFTWARE](#) [CONTACT US](#) [CAREERS@EARTHLINK](#) [AFFILIATE PROGRAM](#) [HOW CAN WE HELP?](#)

Members and visitors to the EarthLink Web site agree to abide by our Policies and Agreements.
[EarthLink Privacy Policy](#)



EarthLink

powered by Google™

HOME

SWITCH

STORE

EARTHLINK TOOLS

BIZ CENTER

DIAL-UP

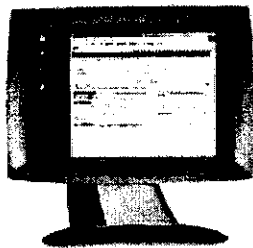
HIGH SPEED

WIRELESS

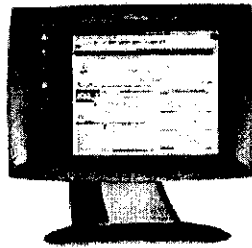
BUSINESS

EXTRAS

EarthLink Dial-Up featuring FREE EarthLink Accelerator™



Without EarthLink Accelerator



With EarthLink Accelerator

Surf the Web up to 10x faster
—without paying more!

- Now only \$9.95/month for 6 months*
- No credit card required

For a
LIMITED TIME!
Online offer only!

[BUY NOW!](#)
[Terms and conditions](#)

Free Member Benefits
The EarthLink difference!


[LEARN MORE](#)

EarthLink Photo Center


[FREE PRINTS!](#)

Internet Call Waiting


[FIND OUT MORE](#)

EarthLink Unlimited

Usually \$21.95 per month. Now only \$9.95 for 6 months! Accelerator, spamBlocker, and other terrific tools. No credit card required.

[LEARN MORE](#)

EarthLink Prepaid

EarthLink Unlimited for less! Save \$2 per month when you pay for a year in advance. No credit card required.

[LEARN MORE](#)

Discounts with Sprint Long Distance

Save money when you choose EarthLink Unlimited with Sprint home products.

[LEARN MORE](#)

EarthLink Extras

Norton Security Products
EarthLink Internet Call Waiting
EarthLink Digital Music Center
EarthLink Photo Center
Buy extra email addresses
Check your email by phone
More Email Space

Other Products

EarthLink High Speed
Hot Spot Wi-Fi
BlackBerry®



EarthLink Ranked #1 in Customer Satisfaction Among Dial-Up Providers Service Provider

J.D. Power and Associates 2004 Syndicated Internet ServiceSM Provider Residential Customer Satisfaction Study. Study conducted among national and regional ISP's and based on 9,573 responses.

[View Presentation](#)

* With EarthLink Accelerator certain Web page text and graphics will load faster when compared to standard dial-up Internet service. Actual results may vary. EarthLink Accelerator is only compatible with EarthLink's dial-up service and specified Windows and Macintosh browsers.

[ABOUT EARTHLINK](#) | [EARTHLINK SOFTWARE](#) | [CONTACT US](#) | [CAREERS@EARTHLINK](#) | [AFFILIATE PROGRAM](#) | [HOW CAN WE HELP?](#)

Members and visitors to the EarthLink Web site agree to abide by our Policies and Agreements.
[EarthLink Privacy Policy](#)



EarthLink

powered by Google™

HOME

SWITCH

STORE

EARTHLINK TOOLS

RECENTLY VIEWED


DIAL-UP

HIGH SPEED

WIRELESS

BUSINESS

EXTRAS



Why EarthLink High Speed?

Ranked Highest in Customer Satisfaction by J.D. Power and Associates

- The Internet you want—up to 70X faster than dial-up
- Exclusive blocking tools control spam, pop-ups, spyware and more
- Free nationwide dial-up access for when you travel
- Award-winning, 24/7 customer support

Offers start at **\$19.95** per month. **NO CONTRACT!**

SIGN UP TODAY!

OFFER AVAILABLE IN LIMITED AREAS


Free Member Benefits
The EarthLink difference!

LEARN MORE! 

Lower your telephone bill!

FREE TRIAL! 

EarthLink Home Networking

\$139.90 REBATE! 


EarthLink Cable

Web pages snap open and files download in seconds—high-speed over the same line that connects your Cable TV!

FIND OUT MORE! 

EarthLink DSL

Watch the Internet spring instantly to life with high-speed that zips over your phone line!

FIND OUT MORE! 

EarthLink Satellite

High-speed isn't out of reach, even if you can't get EarthLink Cable or DSL.

FIND OUT MORE! 

EarthLink Basic DSL

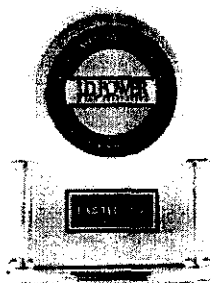
Save money with our basic DSL—up to 13X faster than dial-up.

FIND OUT MORE! 

EarthLink Extras

EarthLink Free Online Call Log
Norton Security Products
EarthLink Internet Call Waiting
EarthLink Digital Music Center
EarthLink Photo Center
Buy extra email addresses
Check your email by phone
More Email Space

[Check order status](#)









EarthLink Ranked #1 Highest in Customer Satisfaction Among High-Speed Internet Service Providers!

J.D. Power and Associates 2004 Syndicated Internet ServiceSM Provider Residential Customer Satisfaction Study. Study conducted among national and regional ISP's and based on 9,573 responses.

www.jdpower.com

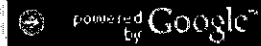
*Actual download and upload speeds may vary depending on distance, line quality, and phone or cable service provider.

ABOUT EARTHLINK  EARTHLINK SOFTWARE  CONTACT US  CAREERS@EARTHLINK  AFFILIATE PROGRAM  HOW CAN WE HELP? 

Members and visitors to the EarthLink Web site agree to abide by our Policies and Agreements.
[EarthLink Privacy Policy](#)



EarthLink



HOME

SWITCH

DIAL-UP

STORE

HIGH SPEED

EARTHLINK TOOLS

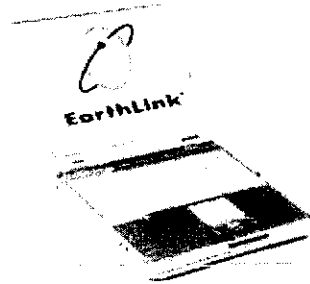
WIRELESS

BUSINESS

MEMBER CENTER

EXTRAS

EARTHLINK WIRELESS



Stay Connected—Your Way

On the go? EarthLink's wide range of wireless email and voice services make it easier than ever to stay connected and productive! Answer email, browse the Web, make phone calls, and stay in touch with the people and information that's important to you—wherever you go!

[LEARN MORE](#)

BlackBerry 7750™ Email & Voice Solution


[GET IT TODAY!](#)

BlackBerry 7750™ Demo


[WATCH AND SAVE!](#)

Wireless Laptop Demo


[WATCH AND SAVE!](#)


Full color email and phone together in one handheld device!

[GET IT NOW!](#)


Turn your laptop into a nationwide wireless communications powerhouse!

Turn your laptop into a nationwide wireless communications powerhouse!

[GET IT NOW!](#)


You need your email and you need it now! Find the EarthLink Wireless Email with BlackBerry solution that's right for you!

[GET IT NOW!](#)


Over 100x faster than dial-up! Easy to use! Over 1,500 locations!

Over 100x faster than dial-up! Easy to use! Over 1,500 locations!

[GET IT NOW!](#)

Wireless Support

[98%](#)

EarthLink Extras

Norton Security Products
EarthLink Internet Call Waiting
EarthLink Digital Music Center
EarthLink Photo Center
Buy extra email addresses
Check your mail from any telephone
More Email Space

[ABOUT EARTHLINK](#) [EARTHLINK SOFTWARE](#) [CONTACT US](#) [CAREERS@EARTHLINK](#) [AFFILIATE PROGRAM](#) [HOW CAN WE HELP?](#)

Members and visitors to the EarthLink Web site agree to abide by our Policies and Agreements.
EarthLink Privacy Policy

 **EarthLink** *revolves around you™*

EarthLink



Powered by Google™

HOME

SWITCH

STORE

EARTHLINK TOOLS

DEVELOPERS

DIAL-UP

HIGH SPEED

WIRELESS

BUSINESS

EXTRAS

[Home](#) | [Dial-Up](#) | [High Speed](#) | [Wireless](#) | [Business](#) | [Extras](#)


EarthLink® Web Hosting

Perfect for small businesses—like yours!

With tools that make it easy to develop and publish your Web site and measure traffic, EarthLink's customizable Web Hosting packages have everything you need to grow your business online.

Choose the Web Hosting package that fits your needs and trust EarthLink, the small business experts, to take your business to the next level.

GET STARTED TODAY!

Norton
AntiVirus™
for Business

TRY IT NOW! 

Corporate
Internet
solutions!

LEARN MORE! 

Get a
BlackBerry®
today!

GET IT NOW! 


**Business
High Speed**

Take advantage of our Internet expertise, exclusive tools, blazing speeds, and unbeatable support!

LEARN MORE! 

**Web Hosting &
E-Commerce**

EarthLink makes launching a professional Web site easy and affordable.

FIND IT NOW! 


**Wireless Internet
& Email**

Keep your business connected—your way—with our wide range of Wireless Internet products.

LEARN MORE! 

**Corporate
Sales**

Increase productivity with large-scale Internet and account management solutions.

LEARN MORE! 


**Norton AntiVirus™
for Business**

Protect your computer for one low monthly rate with Norton AntiVirus™ for business.

GET IT NOW! 

**Business
Dial-Up**


Affordable Internet access for your business.

LEARN MORE! 

**Access Your PC
From Anywhere™**

Remote Access products

- Secure
- Easy to set up
- Easy to use

LEARN MORE! 

EarthLink's Extras

Instant Secure Remote Access
Extra Email Addresses
SEC Access
International Roaming


Other Products

Web Hosting
Web Design Referrals
Domain Names and Domain Pointing
Corporate Sales
Partner Programs

[ABOUT EARTHLINK](#) | [EARTHLINK SOFTWARE](#) | [CONTACT US](#) | [CAREERS@EARTHLINK](#) | [AFFILIATE PROGRAM](#) | [HOW CAN WE HELP?](#)

Members and visitors to the EarthLink Web site agree to abide by our Policies and Agreements.
EarthLink Privacy Policy

EarthLink.net | Start Page | Web Mail | Biz Center | My Account | Support

EarthLink 

HOME SWITCH STORE EARTHLINK TOOLS

DIAL UP HIGH SPEED WIRELESS BUSINESS EXTRAS


EarthLink Extras
Customize your EarthLink service and connect on your terms!

The EarthLink Difference: Extras
Enrich your time online with premium services that meet your specific needs:


- Download digital music
- Create and share a photo album online
- Get tools for PC security and telecommuting

[LEARN MORE](#)

Home Networking:
\$99.95
\$149.95

 [ORDER NOW!](#)

Lower your telephone bill

 [FREE TRIAL!](#)

EarthLink
ULTIMATE-GAMING

[FREE TRIAL](#)

<p>Home Networking</p> <p>• High-speed access on all your home computers • Service for just \$9.95/mo. LEARN MORE</p>	<p>Norton™ Security Products</p> <p>Protect your computer for one low monthly rate. • Norton AntiVirus Online™ • Norton™ Personal Firewall Online LEARN MORE</p>	<p>EarthLink ULTIMATE-GAMING</p> <p>EarthLink Ultimate Gaming is the only online gaming service that lets you play your favorite PC games on your PC from anywhere. Built-in chat and voice features let you talk to your friends while you play. Buy and sell virtual goods in the EarthLink Space.</p> <p>LEARN MORE</p>
<p>Internet Call Waiting</p> <p>Never miss another phone call when you're online! LEARN MORE</p>	<p>EarthLink Protection PackPLUS</p> <p>• Featuring Norton Internet Security Online • Plus EarthLink's tools to block spyware, online scams, spam and MORE! LEARN MORE</p>	
<p>Photo Center</p> <p>• Low-cost digital photo and film developing! • Share photos online—free unlimited storage! LEARN MORE</p>	<p>Unlimited Voice</p> <p>Get unlimited local and long distance phone calls with your EarthLink High Speed service! LEARN MORE</p>	
<p>More Email Space</p> <p>Is your mailbox over quota? No worries! You can still send, receive, and store really big files like videos or presentations. Just add space. LEARN MORE</p>	<p>EarthLink Premium Sports</p> <p>Get unlimited access to premium sports content! LEARN MORE</p>	
<p>EarthLink Ultimate Gaming</p> <p>Enjoy the lowest available ping times, dedicated gaming servers, lasting records, a gamers' forum, and award-winning support! LEARN MORE</p>	<p>Digital Music</p> <p>• Download your favorite songs • Create custom radio stations • Burn CDs • Organize your MP3s LEARN MORE</p>	

[ABOUT EARTHLINK](#) [EARTHLINK SOFTWARE](#) [CONTACT US](#) [CAREERS@EARTHLINK](#) [AFFILIATE PROGRAM](#) [HOW CAN WE HELP?](#)

Members and visitors to the EarthLink Web site agree to abide by our Policies and Agreements.
[EarthLink Privacy Policy](#)

Next generation broadband

EarthLink's assessment

Wireless and BPL technologies are not likely to be competitive in cost and performance with cable and DSL over the last mile to the home.

ADSL 2+, deployed through UNE-L copper, is the most promising technology for EarthLink.

Technology	Economics			Speed	EarthLink's work	Assessment
	\$ per HH passed	CPE cost	truck roll?	mbps		
Fixed Wireless						
Unlicensed						
WiFi - picocell						
Metrofi	\$7	\$50	Y	1	investment, market trial	} need LOS (no trees), coverage unpredictable vulnerable to interference
Digital path	7	50	Y	1	investment, market trial	
Vivato	15		Y	1	technical trial	
Canopy	7	180 →120	Y	1	investment, trial (planned)	less vulnerable, but need LOS and high cost CPE
Licensed						
Nextnet	20	300 →200	N	1	market trial (planned)	} high cost proprietary CPE spectrum scarce and expensive cable
Arraycom	12	300 →200	N	1	field tests	
Navini	12	300 →200	N	1	field tests	
Flarion	20	300 →200	N	1	field tests	
IP wireless	20	300 →200	N	1	field tests	
WiMax	12	50 (2008)	N	1		lower CPE cost, but too far off
Broadband over Powerline						
Amperion	30	50	N	1	technical trial	wireless/BPL combo not successful
Ambient	125	30	N	1 → 2	investment plus trial	} High cost per HH passed requires 15% + penetration for competitive cost
Current	125	30	N	1 → 2	trial	
UNE-L						
ADSL2+	5	50	N	6 → 10	investment planned	Best option. Can offer VOIP with existing CPE, highspeed BB and video

What we need

Price stability in UNE-L

- Averages \$12, expected to go up 15%, then ?

Hot cut process at reasonable cost

- Minimal customer downtime
- <\$35

Protection from runaway copper

- As ILEC's build out hybrid fiber/copper, CLEC loses access to customer

Preserve line sharing for the transition

- Technology will be commercial next year, then require 1 year + to deploy